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Report of the Bureau on the working methods of the Statistical Commission: review of the city group mechanism

Note by the Secretary-General

In accordance with Economic and Social Council decision 2017/228 and past practices, the Secretary-General has the honour to transmit the report of the Bureau on the review of the Commission's working methods, with a focus on the city group mechanism. The report revisits the origins of the city group mechanism and its main characteristics and explores the extent to which its goals have been met.

Points for discussion by the Commission are contained in paragraph 17.

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Report of the Bureau on the working methods of the Statistical Commission: review of the city group mechanism

I. Introduction

1. City groups were formally established by the Statistical Commission in the mid-1990s, inter alia to complement existing processes for the development and adoption of international statistical standards by adapting more nimbly to changing conditions. Over the past 20 years, the Commission has established 16 city groups, 9 of which are still operating and 7 of which have completed their work.

2. These city groups have examined a number of topics of methodological interest, developed handbooks, manuals and compendiums of best practices, developed and tested questionnaires and provided training and workshops. The results have been impressive — including contributions in the area of price statistics, the System of National Accounts, energy and environmental statistics and measurement issues of the informal sector. The majority of city group outputs were endorsed by the Statistical Commission and there seems to be consensus that the city group mechanism has generally been successful.

3. The current report examines the history of the city group mechanism and its unique role in the Statistical Commission and the global statistical system. The report is based on a consultancy report commissioned by the Statistics Division of the Department of Economic and Social Affairs of the Secretariat[1] and is intended to initiate and facilitate a discussion on the current working methods of the Commission, in particular the role of city groups vis-à-vis other groups[2] operating under the auspices of the Commission.

II. The genesis and operation of city groups: background

4. The global statistical system is characterized by voluntary cooperation between Member States in the development of methodological aspects of statistics and in the adoption of international standards and the relevant implementation manuals. Inclusiveness and collective ownership are of critical importance in developing standards to ensure that the requirements of all countries, not just those from more developed national statistical offices, are considered when a new standard is being developed. To ensure that these characteristics in developing statistical standards and methodologies are accomplished, the United Nations has instituted a system of representation and nomenclature to increase inclusiveness which includes, for example, expert groups and inter-agency task forces.

5. In the mid-1990s, a new mechanism was introduced which was intended to complement the existing processes for the development and adoption of international statistical standards by being less rigid and able to adapt more quickly to changing conditions. The main characteristics of this new mechanism were: flexibility in

[1] The consultant, Mr. Hermann Habermann, former director of the Statistics Division, worked from October to December 2017 and delivered his final report on 19 December 2017. In addition to a desk study, the consultant met with Statistics Division staff that act as liaison for city groups. All existing city groups contributed by replying to a short questionnaire.

[2] Groups that were listed in Statistical Commission reports include: committee of experts, city groups, interagency task force, expert group, high-level group, global working group, friends of the chair, partnership group, committee of chief statisticians.

operating methods and timely adjustment to new priorities; the need to receive a mandate directly from the Statistical Commission; and the necessity of considering the needs of all countries. This new mechanism came to be called city groups.[3]

6. Currently, there are nine active city groups; seven more groups were set up and have now completed their work.[4] The topics taken up by the early city groups were often those of the traditional work of a national statistical office, for example, prices and business registers. Leadership within the groups was provided by the national statistical offices on an ad hoc basis. No secretariat was provided by the international agencies and the governance of each individual city group was left up to the organizers and attendees. The meetings were organized by representatives from a national statistical office. Participants were expected to provide for their own funding. Once chartered, each city group then — subject to review and guidance by the Statistical Commission — had considerable flexibility to set its own agenda and working rules.

7. In addition to the examination of current topics of methodological interest, many of the groups also developed manuals and compendiums of best practices or contributed to international standards. Examples include a chapter on the informal sector in the updated 2008 System of National Accounts (SNA) provided by the Delhi Group; the "Handbook for compiling statistics for economies based on natural resources" compiled by the Ulaanbaatar Group on Statistics for Economies Based on Natural Resources (see also E/CN.3/2018/12); and the set of test questions on disability statistics developed by the Washington Group on Disability Statistics.

8. From the outset, the relationship between the city groups and international actors such as expert groups and task forces was ambiguous. In the development of outputs, and in particular with respect to implementation, it has not necessarily been clear where city group responsibilities end and those of others begin. This ambiguity can be useful by creating flexibility for city groups but care must be taken to ensure that city group outputs are integrated appropriately into the international statistical system of norms and subsequently implemented effectively. Good examples of such integration are: the manual on capital stock and flow measurement which was developed by the Canberra Group on Capital Stock Statistics and subsequently published by the Organization for Economic Cooperation and Development (OECD) in 2001 and which has become part of the reference documentation on the 1993 SNA; another example is the work of the Voorburg Group on Service Statistics, which works with other international organizations, such as OECD and the International Monetary Fund, and other international groups to set agendas that are relevant, to provide conceptual clarifications or to outline issues related to current practices and to avoid duplication of efforts by others. For example, the Voorburg Group has consulted with the Ottawa Group on Price Indices on conceptual questions related to quality adjustment. Another example is the steering committee of the Ottawa Group, which ensures the continuity and evolution of the Group's activities and coordination with other international activities on price statistics, such as the meetings of the Group of Experts on Consumer Price Indices, and the Intersecretariat Working Group on Price Statistics.

[3] Each group is named after the first city in which it meets. Meeting locations often rotate after the first one but the name remains.

[4] See Statistics division website, https://unstats.un.org/unsd/methodology/citygroups/.

III. The role of the Statistics Division and other international organizations: ideal anchors for the global statistical system

9. At the time city groups were created it was envisioned that the Statistics Division would have two critical roles to play. The first was to ensure that the requirements and suggestions of less developed countries and others which did not have the resources to participate in a city group were still considered by the city group. The Division occupies a central place in the international statistical system and one of its responsibilities is to work with national statistical offices, regional commissions and international agencies to understand the needs of less developed countries. It was intended that the Division would participate in the city groups and ensure that the voices of the less developed countries would be heard and considered — even if they were not able to be present. Moreover, the Division would be an interlocutor with less developed countries with respect to the deliberations of the city group. The second important role of the Division was to ensure that the development work of the city group was integrated appropriately into the international statistical system. This was in some cases achieved through a process of global consultation, providing all countries with an opportunity to provide inputs, before a city group product was brought — through the secretariat services of the [illegible] Commission — to the Commission for endorsement.

10. Other international organizations have also played a role in the city group mechanism. Many city groups seem to have been successful in working with international agencies and expert groups to integrate the work of the city groups into the international system. A successful example of this is the Wye group on statistics on rural development and agriculture household income, in which the Food and Agriculture Organization of the United Nations was not only highly active until the completion of its mandate in 2012 but continues to implement the work by the Group with a newly created successor interagency and expert group. The case of the Wye group is an excellent example of how the work of the city group, once concluded, is continued by a more permanent and more formal structure, the inter-agency and expert group, which has replaced the Wye Group and a friends of the chair group in the area of agricultural statistics.

11. Unfortunately, a review of city group activities — including contributions provided by the chairs of the city groups — indicates that, for many city groups, representation from the full spectrum of national statistical offices is still a problem. This seems to be for one or more of the following reasons: inadequate travel funds; the predominant use of English by city groups and insufficient numbers of staff with the required expertise. In addition, it appears that the Statistics Division does not possess the resources to provide the level of sponsorships that would be required for adequate representation from less developed countries. Neither does the Division have the monetary or human resources to attend city group meetings regularly in all areas. On the other hand, it is not evident whether and to what extent modern communication tools have been used or can be used in the future to alleviate such concerns. Therefore the hope that the Division would be able to ensure that the city groups heard the voices of less developed countries has not been fully realized.

12. Resource problems also sometimes present a difficulty with regard to ensuring that methodological work from the city groups is integrated into the international statistical system. While, in theory, the central place that the Statistics Division, [illegible] other international specialized agencies, occupies in the international statistical system, provides it with the opportunity to ensure that the work and output

of the city groups are coordinated, duly take into consideration the views of the full spectrum of national statistical offices and conform to existing international standards, in practice, financial and human resource constraints prevent the Division and international agencies from playing the roles of anchors to ensure that the city group outputs surpass the confines of the city groups and reach the global statistical system at large. This becomes particularly important where some city groups have become involved not only with methodology development but also with implementation.

IV. The role of the Statistical Commission: oversight and guidance

13. Overall, the Chairs of the city groups reported that they were generally satisfied with the guidance and oversight provided by the Commission. On the other hand, from the perspective of the Statistical Commission, some concerns could be raised relating to the frequency, relevance and type of reporting. Each city group responds on a more or less regular basis according to the Commission's multi-year programme and as determined by the groups' own determination. Some groups report almost yearly on their deliberations, while others may see an interval of several years between reports. Moreover, city groups do not regularly indicate in their reports how they have responded to guidance received by the Commission in previous sessions. In recent years, city groups have generally reported under information items unless the group was seeking explicit endorsement for a specific output.

14. It is also important to note that the city groups were intended to work with maximum flexibility and with a minimum of bureaucratic oversight. At the same time, statistics have become more central to national and international decision-making, more interrelated and even integrated, especially in the context of the 2030 Agenda for Sustainable Development. Thus, where once city groups may have operated with substantial freedom and without the need for coordination, the situation has now changed. A new development is the increasing interest of non-official data partners and even users in participating in the work of some city groups.

15. However, the agenda of the Statistical Commission now, as compared with that of 20 years ago, indicates the increased demands on the Commission during its one-week meeting. Certainly, the number of items that the Commission considers and the time available to it may make substantive discussion at each session and for each city group impossible. For example, at the forty-ninth session of the Commission, in 2018, the comprehensive discussion of the item "disability statistics" and thereunder the review of the development work and implementation plans of the Washington group will require due time allocation. Naturally, not every report of every group would require this level of discussion every year. But some regular substantive discussion, especially at strategically critical moments of the work of a city group is surely required.

V. Points for discussion

16. **The Commission is invited to express its views on the following questions:**

(a) **Is there a need for the Commission to improve its oversight function, and how could this be done without hindering the intended flexibility in the operating methods of city groups?**

(b) **Should the Commission systematically carry out a comprehensive review of the work of one or two city groups each year?**

(c) **How can more balanced participation in city groups be ensured?**

(d) **What is the specific role of the city groups vis-à-vis other groups operating under the auspices of the Commission?**

(e) **How can the work and outputs of the city groups be better integrated into the global statistical system?**

(f) **After their initial mandate is completed, should city groups be terminated or transitioned into another existing and more formal mechanism (rather than having their mandate extended), as seen in the example of the Wye Group (see para. 10)?**

17. **The Commission is invited to request the Bureau to prepare, for the fiftieth session, a comprehensive review of the structure of all groups (city groups, expert groups, inter-agency groups, friends of the chair, etc.) operating under the Commission.**